



Competitiveness Council (internal market and industry) **Brussels, 29 September**

The meeting of ministers responsible for internal market and industry will start at **9.30**.

Ministers will start the Council meeting with a policy debate on the **single market emergency instrument** (SMEI), followed by a policy debate on the **ecodesign for sustainable products regulation** (ESPR).

The morning session will conclude with a series of AOB items, during which the German delegation will provide information on the 'European Alliance for Transformation Technologies' and the French and German delegations will present a joint non-paper on securing critical raw material supply.

Over lunch, ministers will discuss the **resilience** of the **single market** in the context of the **Russian aggression in Ukraine**.

The Council will conclude with a **press conference** led by the Czech Minister Síkela and Commissioner Breton.

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Chair: Jozef Síkela, minister for industry and trade

Press briefing: Tuesday 27 September at 14.00

Press conference: Thursday 29 September at +/- 15.15 (EUROPA BUILDING press room)

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[Competitiveness Council \(Internal market and industry\) - meeting page](#)

[Press conferences and public events by video streaming](#)

[Video coverage in broadcast quality \(MPEG4\) and photo gallery](#)

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¹ This note has been drawn up under the responsibility of the Press Office.

Internal market and industry

Single market emergency instrument (SMEI)

Ministers will hold a public policy debate on the single market emergency instrument (SMEI) proposal, which the European Commission tabled on 19 September 2022.

The proposed SMEI creates a tool for coordinating and ensuring the free flow of goods, services and persons in times of crisis. It will do so by building on **existing crisis management tools** (such as HERA, the Chips Act proposal, and the Data Act proposal) and will complement those tools to facilitate effective **coordination, cooperation, solidarity** and communication between EU institutions, member states and stakeholders.

The **European Council**, in its conclusions of 1-2 October 2020, stated that the EU will draw lessons from the COVID-19 pandemic and will address the remaining fragmentation, barriers and weaknesses of the single market in facing emergency situations. In its '**Update of the Industrial Strategy Communication**', the European Commission announced an instrument to ensure the free movement of persons, goods and services, as well as greater transparency and coordination in times of crisis.

Now that the SMEI has been presented by the European Commission, internal market and industry ministers will share their first views on the proposal. During their interventions, ministers are expected to comment on the proportionality of the SMEI and the need for an **adequate governance structure** – striking the **right balance** between the role of member states and the role of the European Commission. Ministers are likely to stress the need for transparency in the newly proposed tool and for clarity when it comes to **definitions**. The need for the SMEI to be consistent with existing measures is also something that member states are likely to raise.

To guide this discussion, the Czech presidency invites delegations, based on a [background note](#), to share their thoughts on the following questions:

1. What are the key elements of the SMEI proposal to increase resilience of the single market?
2. How do you see the interlinkages of the SMEI proposal with other currently discussed proposals?

[European Commission proposal for a regulation establishing a Single Market emergency instrument and repealing Council Regulation No \(EC\) 2679/98](#)

[European Commission proposal for amending regulations as regards emergency procedures for the conformity assessment, adoption of common specifications and market surveillance due to a Single Market emergency](#)

[European Commission proposal for a directive as regard emergency procedures for the conformity assessment, adoption of common specifications and market surveillance due to a Single Market emergency](#)

Ecodesign for sustainable products

During a public session, ministers will hold a policy debate on the proposal for an **ecodesign for sustainable products regulation** (ESPR), which was presented by the European Commission in March 2022.

The ESPR aims to create conditions under which almost any physical goods on the EU market (except for food, feed and medicines) would have to be produced in a more **environmentally-friendly, circular** and **energy-efficient way**. The proposal applies to products throughout their entire lifecycle: from the design phase through to daily use, repurposing and end-of-life.

The ESPR introduces a '**digital product passport**' that provides product-specific information about the goods. This will facilitate sharing of information in the value chain and ensure that consumers are aware of the environmental impact of their purchases. The proposal also introduces the possibility of **labelling** for products, for instance as regards their reparability options when damaged.

Besides improving the environmental sustainability of products, the ESPR can support the **better functioning** of the single market and the **free movement** of sustainable products. Several member states have already adopted their own legislation in this field, which could lead to regulatory fragmentation. To ensure **harmonised** requirements across the EU and give guidance for further negotiations, it is important that this topic features on the agenda of competitiveness ministers.

The Czech presidency thus invites ministers, on the basis of a [background note](#), to share their views on the following questions:

1. How can the ecodesign requirements, the Digital Product Passport and other aspects introduced by the ESPR contribute, together with market surveillance, to the better functioning of the Single Market and the free movement of sustainable products? How can it contribute to the digital transition of the European industry and to the improvement of its competitiveness and resilience?
2. The ESPR is a framework legislation allowing for further rule making and requiring coordination among all key players – EU institutions, member states and stakeholders. What should be the role of each party, and how should the relevant competencies be divided, to ensure effective adoption of product-specific requirements as well as correct implementation of all the instruments laid down by the ESPR?

[European Commission proposal for a regulation establishing a framework for setting ecodesign requirements for sustainable products](#)

Any other business

a) **European Alliance for Transformation Technologies**

The German delegation will provide information on an initiative to establish a 'European Alliance for Transformation Technologies'. This platform would support the development of **industrial value chains** in key transformation technologies such as wind power, solar, heat pumps and power grids. The platform would develop a strategic action plan of concrete requirements needed for the production, trade and deployment of new technologies. This would help to **strengthen** the EU's technical sovereignty for the transformation.

[Note from the German delegation](#)

b) **Securing critical raw material supply**

The French and German delegations will provide information on a joint non-paper on securing critical raw material supply. It is intended as an input for the Commission's preparation of a regulatory initiative on **critical raw materials**.

[Joint non-paper by the French and German delegations](#)

Lunch debate

Over an informal lunch, ministers will discuss the resilience of the single market in the context of the **war in Ukraine**.

The single market is the **cornerstone** of the EU's economy, and its proper functioning is crucial. Existing barriers and fragmentation mean that the single market is less resilient in times of crisis: Russia's war against Ukraine has disrupted supply chains and trade flows, leading to shortages of some **critical raw materials**.

As announced in European Commission president von der Leyen's State of the Union address (2022), the EU needs to guarantee Ukraine's access to the EU single market in order to support its economy and ensure the flow of critical raw materials.

During the lunch debate, ministers will therefore share their views on the lessons learned from recent crises and on the measures they deem appropriate to facilitate the reintegration of the **Ukrainian economy** into the EU's value chains.
